

Dynamic IT: Utility Computing for a Leading IT Industry Vendor

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An IDC Consulting Client Success Story from the Market Entry Strategy Practice Area

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Client Challenge – The client wanted to understand where to focus its investment in the emerging "Utility Computing" market opportunity. They needed an objective, credible, third party view of how the customers thought about "Utility Computing" and its components and what customers thought about the offerings in the various segments of the market. Ultimately, this client wanted an unbiased view of where its offerings stood vis-à-vis the competition in this market, so it could invest in the right places for success against its competition in each segment.

IDC Consulting Proposal – IDC determined that the definition of "utility computing" was very vague and needed a bottoms-up and top down perspective in order to create a rigorous and robust segmentation scheme that could communicate to suppliers and customers alike. After creating a viable segmentation schema, then it would be possible to position supplier products and offerings within these segments in a way that would enable planners and customers to build and buy appropriate capabilities.

Methodology – IDC employed existing customer research and its extensive body of product offering segmentation knowledge to fashion a 12-layer view of the Dynamic IT market. IDC analysts from across hardware, software, and service convened to create a rationale view of the component segments of Dynamic IT mapping customer buying perspectives and product offering segments into a single coherent model. Once we were able to describe and segment the market in this robust fashion, IDC could position how various competitors' offerings fared in meeting the requirements of each unique segment.

Results – Our client was able to use our view of the market and the competitive schema to overcome its own myopic view of the market's structure and rigorous evaluate its position against a more customer-centric view of the world. The customer was able to ascertain where it had a best of breed story and where it had shortfalls, where it needed to do better to be successful in those segments where they were not best of breed, and where it had a better story than it originally thought.

IDC Consulting leverages the **trusted** research and analysis of IDC – the premier global provider of market intelligence, advisory services, and events for the information technology industry – to deliver fact-based, actionable advice on all phases of market strategy. With a worldwide perspective, product and service market depth and breadth, and proven **methodologies**, we offer unmatched **expertise** and a superior knowledge of today's marketplace challenges. Our technology and industry analysts join our experienced consultants on a project team with a **commitment** to delivering proprietary conclusions and recommendations that will make you more successful.

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